Title: Introduction of the Appropriation (No. 3) Bill, 1998. Motion for consideration-adopted.

18.05 hrs.

MR. SPEAKER: The House will now take up the Appropriation Bill.

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): Sir, I beg to move for leave to introduce a Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1998-99.

MR. SPEAKER: The question is :

"That leave be granted to introduce a Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1998-99."

The motion was adopted.

SHRI YASHWANT SINHA: I introduce** the Bill.

MR. SPEAKER: The Minister may now move that the Bill be taken into consideration.

SHRI YASHWANT SINHA: Sir, I beg to move :

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1998-99, be taken into consideration."

MR. SPEAKER: Motion moved :

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1998-99, be taken into consideration."

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*Published in Gazette of India, Extraordinary, Part-ll, Section2, dated 14.7.98

**Introduced with the Recommendation of the President.

... (Interruptions)

">SHRI BASU DEB ACHARIA (BANKURA): Sir, I have given a notice before 10 o'clock to speak on this Appropriation Bill. I have also mentioned the points that I would like to highlight.

Sir, modernisation of the Indian Iron and Steel Company Limited is pending for the last several years. This Company was taken over by the Government of India and then, subsequently, it was nationalised in 1977. Since then, not a single paise has been spent on the modernisation of the Indian Iron and Steel Company Limited. This is a premier steel plant of our country. There were several proposals in regard to modernisation of the Indian Iron and Steel Company Limited. There is a proposal to utilise the IISCO Fund of Russia, and the Government of West Bengal has also given a proposal. For the first time, there is a proposal to have a joint venture with the participation of Steel Authority of India Limited, the Government of West Bengal, which has agreed to have its share, and the workers.

Sir, the Indian Iron and Steel Company Limited has already been referred to the BIFR and it is pending with the BIFR. There is a need to increase the steel production in our country. The steel plant has its own iron ore mines, its own coal mines and it has one of the best washeries. There are more than 25,000 workers including 3,000 contract workers. There was an agreement between the Union and the Government of India as well as the Steel Authority of India to modernise this premier steel industry of our country. But not a single paise has been provided in the Budget. I would like to know from the Finance Minister as to what decision the Government is taking in regard to modernisation of the Indian Iron and Steel Company Limited.

Now, I will come to the revival of one of the premier engineering industries of our country, that is, Mining and Allied Machinery Corporation of Durgapur. There are more than 4,000 workers, and this particular industry is engaged in the manufacture of underground mining as well as the coal washery machinery. Several proposals have come both from the trade unions as well as from the Management, but no concrete steps have yet been taken to revive this vital engineering industry.

For the last four months, the workers, employees and staff of this unit are not getting their salary.

The Hindustan Steel Construction Ltd is also under the Ministry of Steel. It is surprising that the private contractors are getting the jobs. The private contractors are being awarded with contracts. But the unit of the Ministry of Steel is sinking. The crisis is getting more and more serious. The employees are not getting their salaries for the last several months although this undertaking has been referred to BIFR.

I would request the hon. Minister to take early steps in regard to revival of this unit.

The Hindustan Cables Limited is the most important public sector undertaking. This industry is now under the Ministry of Industry. There is a proposal to transfer Hindustan Cables Limited because this industry is engaged in the manufacture of optical fibre which is required for telecommunication. There is a proposal to transfer this industry from the Ministry of Industry to the Ministry of

Communication. Concrete steps should be taken in regard to revival of this industry.

The other important point is the shifting of inter-bank dealings from Foreign Exchange Department of State Bank of India, Calcutta to Mumbai. The Prime Minister as well as the Minister of Finance are aware of this. The Chief Minister of West Bengal had meetings with the Prime Minister and the Finance Minister. The reason mentioned by the State Bank management for shifting these inter-bank dealings from Calcutta to Mumbai is that there are no inter-bank dealings in Calcutta. But there is no problem of modernisation because the State Bank of India in Calcutta has been modernised by spending a few crores of rupees.

Therefore, I demand that the inter-bank dealings should not be shifted from Calcutta to Mumbai.

SHRI YASHWANT SINHA: Mr. Speaker, Sir, I am grateful to the hon. Member, Shri Basu Deb Acharia for drawing the attention of this House to these problems. They show indeed the kind of legacy that this Government has inherited. If I could only point out some facts, the MAMC was referred to the BIFR in 1992 and the then Government sat over the recommendation of the BIFR. Nothing was done. The Government, which the party of Shri Basu Deb Acharia was supporting or pulling down from outside, remained in power for two years. But they did precious little and, in the meanwhile, some people had taken this matter to court.

That is where it is pending.

As far as IISCO is concerned, it was referred to the BIFR in 1994...(Interruptions) I will come to that a little later. It came out with a package. The then Government in November 1995 expressed its inability to grant budgetary support for the revival of IISCO and the matter has remained pending all these years...(Interruptions)

SHRI BASU DEB ACHARIA : What action will you take?...(Interruptions)

SHRI YASHWANT SINHA: Please have some patience. I have listened to you with such a great deal of patience!...(Interruptions)

The same thing applies to HSCL which has also run into difficulties. I would now say what the policy of the Government is, which I had enunciated in the Budget Speech. The policy of this Government clearly is to revive all those PSUs which can be revived. We shall do all that lies within our power to see that we bring those units out of the red and get them into production again...(Interruptions)

As far as salaries are concerned, we have paid salary up to the month of May as far as the MAMC is concerned. There is some backlog in the case of the HSCL. The Government is taking steps to see that the dues of the workers are cleared. But we have inherited an intractable problem of a large number of sick PSUs. That is why, this Government has also decided that wherever it is impossible to revive those PSUs, there, we will come with a Voluntary Retirement Scheme which is very attractive to the workers, which will enable them to survive...(Interruptions)

SHRI MURLI DEORA (MUMBAI SOUTH): Why do you not privatise what you cannot revive?...(Interruptions)

SHRI YASHWANT SINHA: That is the second part. But, Sir, I would like to assure the House that one policy which this Government will not follow is the policy of drift. We shall not allow cases to remain pending for years and years and shall not remain without taking a decision. We shall take decision in each case. We shall analyse the status of the PSUs, unit by unit, and take appropriate decision in regard to each unit.

As far as the State Bank of India matter is concerned, I would like to say that the State Bank of India is an autonomous organisation. It has to function along commercial lines. The Government has no desire to interfere with the commercial operations of any bank...(Interruptions)

SHRI BASU DEB ACHARIA : The entire Eastern India will suffer if that is shifted from Calcutta to Mumbai...(Interruptions)

SHRI YASHWANT SINHA: Shri Acharia, you are absolutely wrong. Only the interbank clearing operation which is a very very limited part of the Treasury Operation is proposed to be shifted to Mumbai. All the other operations of the State Bank of India will remain in Calcutta. That is the assurance that I have given.

MR. SPEAKER: The question is:

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1998-99, be taken into consideration."

The motion was adopted.

MR. SPEAKER: The House will now take up clause by clause consideration.

The question is:

"That clauses 2 to 4 stand part of the Bill."

The motion was adopted.

Clauses 2 to 4 were added to the Bill.

MR. SPEAKER : The question is :

"That the Schedule stand part of the Bill"

The motion was adopted.

The Schedule was added to the Bill.

MR. SPEAKER : The question is :

That Clause 1, the Enacting Formula and the Long Title stand part of the Bill.

The motion was adopted

"The Clause 1, Enacting Formula and the Long Title were added to the Bill."

SHRI YASHWANT SINHA: I beg to move:

"That the Bill be passed."

MR. SPEAKER: The question is:

"That the Bill be passed."

The motion was adopted.

MR. SPEAKER: There is nothing more in the Agenda.

The House stands adjourned to meet tomorrow, the 15th July, 1998, at 11 a.m.

18.20 hrs

The Lok Sabha then adjourned till Eleven of the Clock on

Wednesday, July 15, 1998/Asadha 24, 1920 (Saka)

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